Declassified/Released US Department of State EO Systematic Review 30 JUN 2005

Message Text

CONFIDENTIAL

PAGE 01 TANANA 00417 261309 Z

46
ACTION EB-11

INFO OCT-01 AF-10 EUR-25 ADP-00 AGR-20 AID-20 CIAE-00

COME-00 FRB-02 INR-09 NSAE-00 RSC-01 TRSE-00 XMB-07

OPIC-12 CIEP-02 LAB-06 SIL-01 SAL-01 OMB-01 NSC-10

SS-14 STR-08 CEA-02 ABF-01 TAR-02 L-03 H-02 PA-03

USIA-12 PRS-01 RSR-01 /188 W
---------- 020836
R 261230 Z MAR 73
FM AMEMBASSY TANANARIVE
TO SECSTATE WASHDC 5192
INFO AMEMBASSY PARIS
USMISSION EC BRUSSELS

C O N F I D E N T I A L TANANARIVE 0417

E. O. 11652: GDS
TAGS: ECON, EFIN, ETRD, MA, FR, US, EEC
SUBJ: IMPORT QUOTAS AND REVERSE PREFERENCES IN MADAGASCAR

REFS: TANANARIVE 1415, NOV 24, 1972 ; TANANARIVE 0406(NOTAL)

BEGIN SUMMARY: WE JUDGE FROM TALK WITH MALAGASY SECGEN MINISTRY ECONOMY AND FINANCE THAT GOMR MAY ALTER FRENCH- IMPOSED IMPORT QUOTA SYSTEM TO ENABLE PROCUREMENT WHERE TERMS MOST FAVORABLE, WHICH WOULD PRESUMABLY ELIMINATE PRESENT DISCRIMINATION AGAINST US EXPORTS. HE ALSO GAVE US FIRST INDICATION MALAGASY MAY MOVE TO ELIMINATE REVERSE PREFERENCES. END SUMMARY

1. ACCOMPANYING AF/ C DIRECTOR COHEN IN CALL ON MALAGASY SECGEN MINISTRY ECONOMY AND FINANCE SOLOMON ANDRIANAVALONA ON MARCH 23, I TOOK OPPORTUNITY INQUIRE WHETHER FRENCH- IMPOSED QUOTA SYSTEM ON MALAGASY IMPORT FROM NON- EEC COUNTRIES WILL BE REVISED AS RESULT FRENCH- MALAGASY RENEGOTIATION OF COOPERATION ACCORDS. HE REPLIED GOMR WANTS TO BUY WHEREVER BEST TERMS AVAILABLE, PARTICULARLY IN VIEW ITS FOREIGN EXCHANGE SHORTAGE. (COMMENT: THIS ANSWER -- WHICH WAS SIMILAR TO THAT GIVEN BY MINISTER ECONOMY AND FINANCE

CONFIDENTIAL

CONFIDENTIAL

Declassified/Released US Department of State EO Systematic Review 30 JUN 2005

Declassified/Released US Department of State EO Systematic Review 30 JUN 2005

RAMAROSON WHEN I INITIALLY RAISED THIS QUESTION WITH HIM IN NOV 1972-- IMPLIES INTENTION ALTER QUOTA SYSTEM AND PRESUMABLY ELIMINATION PRESENT DISCRIMINATION AGAINST US EXPORTS.

2. SECGEN WENT ON TO NOTE, HOWEVER, THAT EXISTING STRUCTURE OF COMMERCIAL ACTIVITIES IN MADAGASCAR TENDS DIRECT PROCUREMENT TOWARD FRANCE BECAUSE OF HISTORIACAL LINKS OF IMPORT FIRMS, INCLUDING
THEIR SUBSIDIARY STATUS IN IMPORTANT INSTANCES. (COMMENT: WHILE THIS STRUCTURE IS, OF COURSE, LIMITING FACTOR TO SOME DEGREE FOR INCREASED US EXPORTS TO MADAGASCAR, WE WOULD NOTE THAT A NUMBER OF
US EXPORTERS ARE EFFECTIVELY REPRESENTED BY CERTAIN FRENCH FIRMS IN MADAGASCAR.)

3. SECGEN ALSO VOLUNTEERED THAT GOMR WILL HAVE TO REVISE CUSTOMS DUTY REGIME IN VIEW PRESENT DISCRIMINATION IN FAVOR OF
FRANCE AND OTHER EEC COUNTRIES. I COMMENTED TO DIRECTOR OF TREASURY
FREDERIC RASAMOELY (WHO ALSO PRESENT) THAT SUCH A CHANGE COULD INCREASE TREASURY REVENUES. SECGEN REPLIED THAT THIS WOULD DEPEND ON WHETHER DUTIES ON PRODUCTS FROM EEC COUNTRIES RAISED TO LEVEL APPLICABLE OTHER SOURCES OR WHETHER LATTER BROUGHT DOWN. (COMMENT:
THIS IS FIRST TIME, AT LEAST DURING MY TENURE IN MADAGASCAR, THAT MALAGASY OFFICIAL HAS RAISED POSSIBILITY OF ELIMINATION OF REVERSE PREFERENCES. IT WAS NOT CLEAR WHETHER SECGEN WAS SPEAKING PERSONALLY OR SIGNIFYING OFFICIAL INTENTION TO MOVE IN THIS DIRECTION AFTER CURRENT BILATERAL NEGOTIATIONS WITH FRANCE CONCLUDED.

MENDENHALL

CONFIDENTIAL

*** Current Handling Restrictions *** n/a
*** Current Classification *** CONFIDENTIAL

Declassified/Released US Department of State EO Systematic Review 30 JUN 2005

Declassified/Released US Department of State EO Systematic Review 30 JUN 2005

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: n/a
Control Number: n/a
Copy: SINGLE
Draft Date: 26 MAR 1973
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: garlanwa
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1973TANANA00417
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: GS
Errors: n/a
Film Number: n/a
From: TANANARIVE
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1973/newtext/t19730340/aaaaikjv.tel
Line Count: 99
Locator: TEXT ON-LINE
Office: ACTION EB
Original Classification: CONFIDENTIAL
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators:
Previous Classification: CONFIDENTIAL
Previous Handling Restrictions: n/a
Reference: 73 TANANARIVE 1415, NOV 24, 1972, 73 TANANARIVE 0406(NOTAL)
Review Action: RELEASED, APPROVED
Review Authority: garlanwa
Review Comment: n/a
Review Content Flags:
Review Date: 15 AUG 2001
Review Event:
Review Exemptions: n/a
Review History: RELEASED <15-Aug-2001 by izenbei0>; APPROVED <30-Oct-2001 by garlanwa>
Review Markings:

Declassified/Released
US Department of State
EO Systematic Review
30 JUN 2005

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: <DBA CORRECTED> srp 980106
Subject: IMPORT QUOTAS AND REVERSE PREFERENCES IN MADAGASCAR
TAGS: ECON, EFIN, ETRD, FR, MA, US, EEC
To: EB
SECSTATE WASHDC INFO EC BRUSSELS
PARIS
Type: TE
Markings: Declassified/Released US Department of State EO Systematic Review 30 JUN 2005

Declassified/Released US Department of State EO Systematic Review 30 JUN 2005